CARLSMITH BALL LLP

A LIMITED LIABILITY LAW PARTNERSHIP

LAND USE COMMISSION STATE OF HAWAII

P.O. Box 686

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HILO, HAWAII 96721-0686
TELEPHONE 808.935.6644 FAX 808.935.7975
WWW.CARLSMITH.COM

SLIM@CARLSMITH.COM

OUR REFERENCE NO.: 069590-00001

June 8, 2018

VIA U.S. MAIL AND E-MAIL: <u>DANIEL.E.ORODENKER@HAWAII.GOV</u>

Daniel Orodenker, Executive Officer State Land Use Commission 235 South Beretania Street, Room 406 Honolulu, HI 96813

Re:

Status of Docket No. A06-767 and Notification of Change in Ownership of the Petition Area from Waikoloa Mauka, LLC to Waikoloa Highlands, Inc.

Dear Mr. Orodenker:

This firm was recently retained by Waikoloa Highlands, Inc., a Colorado corporation ("WHI"), for the above matter. By way of Findings of Fact, Conclusions of Law, and Decision and Order dated June 10, 2008, in the above-referenced docket (the "D&O"), the State of Hawai'i Land Use Commission (the "Commission") reclassified an approximately 731.581-acre portion of TMK No. (3) 6-8-002:016 (por.) (the "Petitioner Area") from the State Land Use Agricultural District to the State Land Use Rural District. The reclassification was sought to allow for the development of a 398-unit residential subdivision in Waikoloa on the Island of Hawai'i (the "Project").

At the time of the reclassification in 2008, the petitioner and fee owner of the Petition Area was Waikoloa Mauka, LLC ("WM"). In 2014, as a part of a bulk land sale, WM conveyed the entirety of the Petition Area to WHI. Accordingly, pursuant to Condition No. 20 of the D&O, please accept this as WHI's formal notice to the Commission of the change in ownership of the Petition Area.

We understand that the Commission held a status hearing on Docket No. A06-767 at its May 23, 2018 meeting, and that neither WM nor WHI appeared at the status hearing. We also understand that the Commission voted to issue an Order to Show Cause pursuant to Hawai'i Administrative Rules § 15-15-93 ("Order"), and that the Commission intends to hold a hearing on the Order later this year.

In due course, WHI will request a meeting with you and your staff to discuss the status of the Project, the Order, and the most appropriate course of action for WHI. In the meantime, we

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respectfully request that any further correspondence to the Petitioner in Docket No. A06-767 be addressed to our office.

Thank you for your attention to this matter. If you have any questions, please feel free to contact me.

Sincerely,

Steven S.C. Lim

cc: Michael Yee, Planning Director, County of Hawai'i Planning Department Leo R. Asuncion, Director, Office of Planning

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